

TENNESSEE GENERAL ASSEMBLY
FISCAL REVIEW COMMITTEE



FISCAL MEMORANDUM

HB 732 – SB 714

April 8, 2011

SUMMARY OF AMENDMENT (005507): Deletes the original bill. Removes language in current law requiring students to have been enrolled in a public school during the previous school year in order to be eligible to participate in a virtual education program.

CORRECTED FISCAL IMPACT OF ORIGINAL BILL:

Increase State Expenditures - \$2,778,600

Increase Local Expenditures - \$2,646,300/Permissive

FISCAL IMPACT OF BILL WITH PROPOSED AMENDMENT:

Increase Local Expenditures – Net Impact – Not Significant/Permissive

Assumptions applied to amendment:

- The state will not fund a virtual school and will not use federal funding to help fund virtual learning as has been done in the past.
- The current e4TN virtual education program will cease to operate in its current form since federal funding will not be used for it.
- LEAs may authorize virtual education programs.
- All students enrolled or not enrolled in a public school in grades K-12 will be eligible to attend a virtual education program that an LEA or LEAs choose to operate.
- LEAs will use BEP money for students currently enrolled to defray the cost of any virtual education program.
- LEAs will charge a tuition fee equal to the amount that is needed to fund students' virtual education for students that are not currently enrolled in a public school. The increase in permissive local revenue will be not significant. It is assumed that a small number of students that are enrolled in a private or home school will attend a virtual education program. This pool of students will not be counted in the LEA enrollment for BEP funding purposes.
- Virtual education programs will not be a separate school but will offer a range of courses that students may take in conjunction with classes taken in the regular LEA, private, home school, homebound, or hospital bound classroom setting.

HB 732 – SB 714

- Any increase in local expenditures to continue an existing virtual education program or start a new one will be permissive. Any increase in local expenditures will be defrayed by use of BEP funding or a tuition fee. The net increase in permissive local expenditures will be not significant.

CERTIFICATION:

The information contained herein is true and correct to the best of my knowledge.



James W. White, Executive Director

/msg